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MINISTRY OF COMMERCE & INDUSTRY

PUBLIC NOTICES

IMPORT TRADE CONTROL

New Delhi, the 5th March 1960

SUBJECT.—*Difficulties in dealing with imports made under one licence through the same Port.*

No. 26-ITC(PN)/60.—Attention is invited to para 78 of Chapter II of Hand Book of Rules & Procedure, 1956, whereby in the case of licences for value of Rs. 10 lakhs and above, importers may, if they so desire, apply for and obtain separate licences in respect of stores proposed to be imported at the same Port. This limit of Rs. 10 lakhs was reduced to Rs 2 lakhs *vide* Public Notice No. 13-ITC(PN)/58 dated 13th February 1958.

2. In terms of the provision referred to above, firms desiring to import goods against licences for Rs. 2 lakhs and above through the same Port may, while applying for grant of licences, ask for separate import licences. However, the Customs authorities have hitherto been issuing subsidiary licences against the original licence, to facilitate clearance of the goods through different sections of the same Customs House, whenever necessary.

3. It has now been decided that the Customs Authorities will no longer issue subsidiary licences and this work will now be taken over by the ITC authorities. Henceforward requests for issue of subsidiary licences for clearance of different consignments through the same Port may be made to the ITC authorities concerned. The following points should be borne in mind while applying for subsidiary licences:—

(i) Requests for issue of separate licences should be made at the time of applying for a licence originally. Requests for issue of subsidiary licences against an existing licence should be made sufficiently in advance of despatch of goods from foreign countries.

(ii) This facility will be given irrespective of the value of the original licence.

(iii) These subsidiary licences will be subject to the face value restrictions or any other conditions applicable to the original licence.

(iv) A fee of Rs. 5/- for issue of each subsidiary licence would be charged.

4. The procedure for procurement of separate licences for goods to be imported through different Ports, as stated in para 77 of Chapter II of Hand Book of Rules and Procedure, 1956, will continue to be in force.

SUBJECT.—*Import licensing of Capital goods and Heavy Electrical plan—general procedure and principles.*

No. 27-ITC(PN)/60.—With a view to expediting the disposal of applications for import licences for capital goods, a separate Division has been created in the office of the Chief Controller of Imports and Exports to work under a Special Officer.

2. Applications for capital goods and heavy electrical plant referred to in para 3(iii) below should henceforward be addressed to the Special Officer, Capital Goods, Office of the Chief Controller of Imports and Exports, Udyog Bhavan, Maulana Abul Kalam Azad Road, New Delhi.

3. Applications for plant and machinery required for new industrial undertakings, expansion of existing units and for balancing and replacement purposes for which the licensing authority is the C.C.I and E., New Delhi, should be addressed to the above officer in triplicate in the form specified in Appendix VI(E) to the Red Book for the licensing period April—September 1959 together with five copies of the list of goods proposed to be imported. Applications which are to be submitted to the J.C.C.I., Bombay, or J.C.C.I., Calcutta, are not affected by this procedure. For convenience, the jurisdiction of the different licensing authority is reproduced below:—

(i) *J.C.C.I., Bombay.*—For all Textile Machinery and Hosiery Knitting machinery and spares thereof (except for Jute and Hemp) falling under S. No. 4(1), 4(2), 4(3), 4(4), 4(5) and those specified against S. No. 5(1) of Part III of the I.T.C. Schedule.

(ii) *J.C.C.I., Calcutta.*—For Jute and Hemp machinery and spares falling under S. Nos. 36 and 37 of Part II and plant and machinery connected with Coal Industry.

(iii) *C.C.I. and E., New Delhi.*—For all other plant and machinery falling under S. No. 65(1-4)/Part V, S. No. 36/Part II and S. No. 4 of Part III excluding those mentioned against (i) and (ii) above, and all items of machine tools valued above Rs. 1 lakh falling under Part VI of the I.T.C. schedule. (Machine tools items valued below Rs. 1 lakh, D. O. (Tools) of the Development Wing is the Licensing Authority).

4. In order to ensure early and favourable consideration of their applications applicants are requested to pay special heed to the following points:—

(a) It is essential that applications should specify clearly the country or countries from which it is proposed to import the equipment. It is not enough to indicate a currency area such as the sterling area or dollar area.

(b) Wherever possible, alternative sources of supply should be indicated in order of preference.

5. In view of the shortage of foreign exchange many otherwise deserving applications may have to be turned down unless either.

(a) the importer himself is able to put forward satisfactory proposals for financing the foreign exchange required for the import or

(b) the import can be paid for under any loans or payment arrangements available to Government.

6. The possibilities of the applicant himself arranging for the foreign exchange required to finance the import are briefly indicated below:—

(i) Foreign investment in the capital of the project to the extent necessary to cover the requirements of plant and machinery.

(ii) Long-term loans in foreign exchange from bodies like the Industrial Credit and Investment Corporation of India in Bombay, the International Finance Corporation in Washington, the Commonwealth Development Finance Corporation in London, or any other sources.

Supplier's credit or deferred payment arrangements will only be approved in exceptional cases when Government are satisfied that the savings in foreign exchange resulting from the production of the capital goods to be imported will be more than sufficient to meet the payment liability. Similarly, such arrangements may be approved if there is a satisfactory guarantee of exports of the goods for the production of which the plant is to be imported.

7. It is open to importers to ascertain in advance whether a particular form of financing will be acceptable to Government and also to enquire whether imports can be authorised against loans or payment arrangements negotiated by the Government. To do so, intending importers can address the Special Officer, Capital Goods, indicating the value of the equipment, the purpose for which it will be imported and the country or countries from which it will be imported without waiting to prepare a detailed list.

K. T. SATARAWALA,
Chief Controller of Imports and Exports.

ORDERS

No. 1/60.—In exercise of the powers conferred by Sections 3 and 4A of the Imports & Exports (Control) Act, 1947 (18 of 1947), as in force in India and as applied to the State of Pondicherry, the Central Government hereby directs that the following amendment shall be made in Schedule II annexed to Imports (Control) Order 1955 (No. 17/55 dated 7th December 1955):—

In Schedule II annexed to the said Order, the following shall be inserted under columns (1) & (2) within the bracket appearing against the words "for controlled category of Iron and Steel items falling under Part I of Schedule I":—

"CA Officer on Special Duty in the Ministry of Steel, Mines & Fuel (Department of Iron and Steel)".

No. 2/60.—In exercise of the powers conferred by Sections 3 and 4-A of the Imports & Exports (Control) Act, 1947 (XVIII of 1947) as in force in India and as applied to the State of Pondicherry, the Central Government is hereby pleased to direct that the following amendment shall be made in the Imports (Control) Order, 1955 namely:—

In the said Order, the following should be inserted as item 9 in the Table in para 1 of Schedule III:—

"9 Applications for grant of subsidiary licences ...... 5/-."

K. R. F. KHILNANI, Jt. Secy.

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